

# Managing Your Food Budget for Savings

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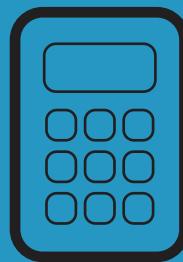
Food budgeting is an important way to save money when you shop for groceries. Grocery prices are going up, which means a family's food budget can change every month. This change can happen because of the cost of groceries, using coupons and how much food is eaten at home. A food budget helps you keep track of your household expenses and can make your financial situation better. Also, eating out less at restaurants or convenience stores can help you save money and eat healthier. Cooking more meals at home is usually better for your health.

## Create a Household and Food Budget

Some people may think that food budgeting takes a lot of time. Try these simple tips to make it easier to create your family food budget.

- First, figure out your total household savings and spending plan. You need to know your other household expenses before deciding how much to spend on food.
- Include a food budget as part of your household budget. Food is a flexible or controllable expense, which means you can adjust it based on your choices.
- Usually, about 12 percent of your household budget goes to food. This includes money spent on groceries and food you buy from places like restaurants, cafeterias, vending machines and coffee shops.
- Do not include non-food items, such as paper towels, in your food budget. These should be part of your total household savings and spending plan.

**12%**  
**of household budget  
goes to food**



One helpful resource for creating your food budget is the Food Plans made by the United States Department of Agriculture (USDA). The USDA updates these plans every month. They estimate that the average monthly food cost for an American family with two adults and two children (ages 6-8 years and 9-11 years) is about \$980 (as of July 2024). This information can help families set a starting point for their food budget.

Another useful tool is the USDA Thrifty Food Plan, which helps you plan affordable and healthy meals based on what Americans usually eat. This plan can assist you with meal planning while keeping your budget in mind.

## Smart Shopping = Budget Wins



The graphic is a yellow box with the title 'Smart Shopping = Budget Wins' at the top. It contains five sections with icons and text:

- Stick to Your List**: Avoid impulse buys, they add up fast. (Icon: clipboard with a checklist)
- Don't Shop Hungry**: Make better choices, spend less. (Icon: apple)
- Try Online Shopping**: Some people find it easier to stick to their list. (Icon: shopping cart)
- Track Your Spending**: Use a calculator or phone to stay on budget. (Icon: calculator)

### Avoiding Impulse Purchases and Sticking to Your Budget

Since food prices can change a lot, people often end up spending too much on their food budgets. One way to stay on track is to avoid impulse purchases. Always follow your shopping list. Impulse purchases can quickly throw your food budget off course. If shopping online is an option in your area, consider it. Some people find they make fewer impulse purchases online, but others still do. Also, be aware that some grocery delivery services charge fees, so check the costs and include them in your budget.

Another tip is to avoid shopping when you are hungry. Shopping while hungry can lead to impulse buys and unhealthy food choices, which can increase your spending.

To stay within your budget, keep these tips in mind:

- Only buy what you need and what fits in your budget.
- If you see something on sale that you will use later, consider buying it.
- Compare unit prices to find the best deals.
- Choose store or generic brands, which are often cheaper and just as good as brand-name products.
- Look for discounts on items you buy regularly.
- Use a calculator to keep track of your spending while shopping.
- If you shop with kids, let them help add up costs. This keeps them engaged and helps you stay on budget.

### Review Your Food Spending

- Check how well you followed your food budget and your overall household budget.
- Use your grocery store app to find coupons and create a shopping list. Some people find that adding items to their online cart before going to the store helps them stick to their budget.
- If you overspent, think about how you can reduce your spending next time. Did you make impulse buys? Did you stop at the local coffee shop too often?

Taking the time to review your food budget is important. It helps families see where their money is spent, find ways to save, and keep track of what they usually buy.

### References

- "USDA Food Plans: Monthly Cost of Food Reports." Food and Nutrition Service U.S. Department of Agriculture, [www.fns.usda.gov/cnpp/usda-food-plans-cost-food-monthly-reports](https://www.fns.usda.gov/cnpp/usda-food-plans-cost-food-monthly-reports). Accessed 2 June 2024.
- "Snap and the Thrifty Food Plan." Food and Nutrition Service U.S. Department of Agriculture, <https://www.fns.usda.gov/research/cnpp/usda-food-plans>. Accessed 2 June 2024.





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